

Minerals Management Service

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Minerals Management Service: Panel Formed to Review Mineral Leasing Program

Under the auspices of the long-standing Royalty Policy Committee, in November 2006, Department of the Interior Assistant Secretary C. Stephen Allred initiated a new panel for the purpose of taking a closer look at the Minerals Management Service's (MMS) mineral leasing program. The independent panel is charged with reviewing the current leasing program and providing advice to the Interior Department on royalty-management issues and other mineral-related policies.

The panel will seek to answer the following questions:

- Are existing procedures and processes adequate to ensure that the accurate amount of royalty is collected?
- Are existing audit, compliance, and enforcement procedures adequate and appropriate?
- Are Royalty-in-Kind operations appropriate to ensure that in-kind oil and gas royalties result in the maximum benefit for the American people?

The subcommittee will meet over a six-month period after which its findings will be presented to the Royalty Policy Committee and the Secretary of the Interior.

The Royalty Policy Committee selected the chairman to lead the panel in its work. The subcommittee members will be of high caliber and will represent a diverse spectrum of interests, abilities and experience. Their advice will help the Minerals Management Service create improvements in the complex and evolving process of royalty management.

The Royalty Policy Committee provides advice to the Secretary of the Interior and other Interior Department officials with mineral leasing-related responsibilities; the committee meets at least once a year for this purpose. The meetings also provide a forum for the sharing of differing viewpoints on minerals issues including individual States, American Indian tribes, individual Indian mineral lease holders, the mineral industry, government agencies, and the public.

MMS manages offshore oil and gas exploration as well as renewable and alternative energy sources such as wind, wave, and solar on 1.76 billion acres of the Outer Continental Shelf while protecting the human, marine, and coastal environments. MMS also collects, accounts for, and disburses mineral revenues from Federal and American Indian lands, sharing revenues with states, American Indians and individual lease holders, and the U.S. Treasury. The revenues are also contributed to the Land and Water Conservation Fund and other special use funds. In Fiscal Year 2006, disbursements were made of approximately \$12.8 billion, totaling nearly \$164.9 billion since 1982.

For more information on the Minerals Management Service, go to www.mms.gov.

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